

Article - Business Regulation

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§5–706.

- (a) Each trust account shall be:
 - (1) titled “preneed trust account”; and
 - (2) established by the seller in the seller’s name.
- (b) A trustee appointed under this subtitle must be:
 - (1) a national banking association, as defined in the Financial Institutions Article;
 - (2) a banking institution, as defined in the Financial Institutions Article;
 - (3) any other financial institution allowed by law to engage in the trust business; or
 - (4) a person who provides a fidelity bond from a recognized bonding institution in an amount equal to the trust fund and insuring to the benefit of the trust account of the cemetery or burial goods business, or the preneed buyers, or both.
- (c) A seller may:
 - (1) commingle money from 2 or more preneed burial contracts; and
 - (2) establish more than 1 trust account.
- (d) (1) A trust account established under this subtitle shall be a single purpose trust.
 - (2) Money in the trust account is not available to a creditor as an asset of the seller.
- (e) Money in the trust account may be withdrawn only on the combined signatures of:
 - (1) 2 officers of a corporate seller; or

(2) at least 2 individuals authorized to withdraw money for an unincorporated seller.

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